

AMENDED IN ASSEMBLY SEPTEMBER 6, 2013

AMENDED IN ASSEMBLY AUGUST 22, 2013

AMENDED IN ASSEMBLY AUGUST 5, 2013

AMENDED IN ASSEMBLY JUNE 24, 2013

AMENDED IN SENATE MAY 24, 2013

AMENDED IN SENATE APRIL 8, 2013

SENATE BILL

No. 726

Introduced by Senator Lara

February 22, 2013

An act to add Section 12894.5 to the Government Code, *and to add Section 38575 to the Health and Safety Code*, relating to greenhouse gases.

LEGISLATIVE COUNSEL'S DIGEST

SB 726, as amended, Lara. California Global Warming Solutions Act of 2006: ~~Western Climate Initiative, Incorporated 2006.~~

(1) The California Global Warming Solutions Act of 2006 designates the State Air Resources Board as the state agency charged with monitoring and regulating sources of emissions of greenhouse gases. The state board is required to adopt a statewide greenhouse gas emissions limit equivalent to the statewide greenhouse gas emissions level in 1990 to be achieved by 2020, and to adopt rules and regulations in an open public process to achieve the maximum, technologically feasible, and cost-effective greenhouse gas emissions reductions. Existing law also imposes conditions on the Western Climate Initiative, Incorporated, a nongovernmental entity created to assist the state board

in the implementation of the act. Existing law specifies who may serve as part of the California membership of the board of directors of the Western Climate Initiative, Incorporated.

This bill, commencing January 1, 2014, would require the state board to include information on all proposed expenditures and allocations of moneys to the Western Climate Initiative, Incorporated, in the Governor's Budget. The bill would require the state board to report to the Joint Legislative Budget Committee on specified procurements proposed by the Western Climate Initiative, Incorporated.

(2) The Bagley-Keene Open Meeting Act generally requires that all meetings of a state body be open and public. Existing law exempts the Western Climate Initiative, Incorporated, and its appointees from the Bagley-Keene Open Meeting Act when performing their duties. The California Public Records Act requires state and local agencies to make public records available for inspection by the public, subject to specified criteria, and with specified exceptions.

This bill would require the California membership of the Western Climate Initiative, Incorporated, to participate on the board of directors so long as the Western Climate Initiative, Incorporated, maintains a specified open meetings policy, a specified public records policy, and bylaws limiting the activities of the Western Climate Initiative, Incorporated, to the technical and operational support of the greenhouse gas emissions reduction programs of California and other jurisdictions.

(3) *The California Global Warming Solutions Act of 2006 authorizes the state board to include the use of market-based compliance mechanisms.*

This bill would prohibit the use of sector-based offsets as part of a market-based compliance mechanism prior to January 1, 2017.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 12894.5 is added to the Government
- 2 Code, to read:
- 3 12894.5. (a) The Legislature finds and declares that
- 4 California's participation in the Western Climate Initiative,
- 5 Incorporated, requires that its sole purpose be to provide
- 6 operational and technical support to California in its
- 7 implementation of Division 25.5 (commencing with Section 38500)

1 of the Health and Safety Code and to provide support to the
2 greenhouse gas emissions reduction programs of other jurisdictions.
3 Given its limited scope of activities, the Western Climate Initiative,
4 Incorporated, does not have the authority to create policy with
5 respect to any existing or future program or regulation undertaken
6 pursuant to Division 25.5 (commencing with Section 38500) of
7 the Health and Safety Code.

8 (b) The California membership of the Board of Directors of the
9 Western Climate Initiative, Incorporated, as established pursuant
10 to Section 12894, shall participate on the board so long as the
11 Western Climate Initiative, Incorporated, maintains policies and
12 bylaws according to all of the following:

13 (1) An open meetings policy that is and remains consistent with
14 the general policies of the Bagley-Keene Open Meeting Act
15 (Article 9 (commencing with Section 11120) of Chapter 1 of Part
16 1) and affords the public the greatest possible access consistent
17 with the other duties of the Western Climate Initiative,
18 Incorporated.

19 (2) A records availability policy that is and remains consistent
20 with the general policies of the California Public Records Act
21 (Chapter 3.5 (commencing with Section 6250) of Division 7 of
22 Title 1) and affords the public access to corporate records consistent
23 with the operating needs and other duties of the Western Climate
24 Initiative, Incorporated, and all applicable legal privileges.

25 (3) Bylaws that limit the activities of the Western Climate
26 Initiative, Incorporated, to the technical and operational support
27 of the greenhouse gas emissions reduction programs of California
28 and other jurisdictions. These bylaws shall not allow the Western
29 Climate Initiative, Incorporated, to have policymaking authority
30 with respect to these programs.

31 (c) The State Air Resources Board shall provide notice to the
32 Joint Legislative Budget Committee for all procurements over one
33 hundred fifty thousand dollars (\$150,000) proposed by the Western
34 Climate Initiative, Incorporated, that are expected to result in a
35 contract no later than 30 days prior to the execution of those
36 contracts.

37 (d) Commencing January 1, 2014, the State Air Resources Board
38 shall include information on all proposed expenditures and
39 allocations of moneys to the Western Climate Initiative,
40 Incorporated, in the Governor's Budget.

1 *SEC. 2. Section 38575 is added to the Health and Safety Code,*
2 *to read:*
3 *38575. Sector-based offsets shall not be eligible for use for*
4 *purposes of this part prior to January 1, 2017.*

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